



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1466/P1
CTS&PG:bjk:md

Lstays

DOA:.....Weidner, BB0387 - Transfer health professional loan programs to
office of rural health

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

SA -
X-ref ✓

do not gen.

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

COMMERCE

The Department of Commerce (Commerce) currently repays portions of certain educational loans made to physicians, dentists, and certain other health care providers who agree to practice for three years in certain areas of the state that have been federally designated as having a shortage of providers. Current law requires Commerce to contract with the Office of Rural Health of the Department of Professional and Community Development of the University of Wisconsin Medical School for administration of the repayment programs. The Rural Health Development Council (Council) advises Commerce regarding the repayment programs and regarding the delivery of rural health care.

This bill transfers the repayment programs and the Council to the University of Wisconsin System, transfers the Council to the University of Wisconsin System, and eliminates the Council's duties that are unrelated to the repayment programs.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 15.157 (8) of the statutes is renumbered 15.917 (1) and 15.917 (1) (intro.), as renumbered, is amended to read:

15.917 (1) RURAL HEALTH DEVELOPMENT COUNCIL. (intro.) There is created in the department of commerce University of Wisconsin System a rural health development council consisting of 13 members nominated by the governor, and with the advice and consent of the senate appointed, for 5-year terms, and the secretaries of commerce and health services, or their designees. The appointed members shall include all of the following:

SECTION 2. 15.917 (title) of the statutes is created to read:

15.917 (title) **Same; attached council.**

SECTION 3. 20.143 (1) (jc) of the statutes is renumbered 20.285 (1) (jc) and amended to read:

20.285 (1) (jc) *Physician and dentist and health care provider loan assistance programs; penalties.* All moneys received in penalties under ss. 560.183 36.60 (6m) and 560.184 36.61 (6m), to be used for loan repayments under ss. 560.183 36.60 and 560.184 36.61. *material goes before comma* and all moneys transferred under 2009 Wisconsin Act... (this act) section 9210 (1) auto-ref at Insert p. 1

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 4. 20.143 (1) (jL) of the statutes is renumbered 20.285 (1) (jL) and

amended to read: *repealed*

20.285 (1) (jL) *Health care provider loan assistance program; local contributions.* All moneys received under s. 560.184 36.61 (6) to be used for loan repayments under s. 560.184 36.61.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

LPS -
Please change
components.

LPS -
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component

①

SECTION 5. 20.143 (1) (jm) of the statutes is ~~renumbered 20.285 (1) (jn) and~~

②

~~amended to read:~~ *repealed*

3

4

5

~~20.285 (1) (jn) Physician and dentist loan assistance program; local contributions. All moneys received under s. 560.183 36.60 (6) to be used for loan repayments under s. 560.183 36.60.~~

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6

SECTION 6. 20.143 (1) (kr) of the statutes is renumbered 20.285 (1) (ks) and

7

amended to read:

8

20.285 (1) (ks) *Physician and dentist and health care provider loan assistance*

9

programs; repayments, and contract. Biennially, the amounts in the schedule for

10

loan repayments under ss. ~~560.183 and 560.184 and for contracting under ss.~~

11

~~560.183 (8) and 560.184 (7) 36.60 and 36.61.~~ All moneys transferred from the

12

appropriation account under s. 20.505 (8) (hm) 6r. ~~and all moneys transferred under~~

13

~~1999 Wisconsin Act 9, section 9210 (1),~~ shall be credited to this appropriation

14

account. Notwithstanding s. 20.001 (3) (b), the unencumbered balance on June 30

15

of each odd-numbered year shall revert to the appropriation account under s. 20.505

16

(8) (hm).

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

17

SECTION 7. 20.505 (8) (hm) 6r. of the statutes is amended to read:

18

20.505 (8) (hm) 6r. The amount transferred to s. ~~20.143 (1) (kr)~~ 20.285 (1) (ks)

19

shall be the amount in the schedule under s. ~~20.143 (1) (kr)~~ 20.285 (1) (ks).

20

SECTION 8. 49.45 (8r) of the statutes is amended to read:

21

49.45 (8r) PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE. The rate

22

of payment for obstetric and gynecological care provided in primary care shortage

1 areas, as defined in s. ~~560.183~~ 36.60 (1) (cm), or provided to recipients of medical
2 assistance who reside in primary care shortage areas, that is equal to 125% of the
3 rates paid under this section to primary care physicians in primary care shortage
4 areas, shall be paid to all certified primary care providers who provide obstetric or
5 gynecological care to those recipients.

6 **SECTION 9.** 560.183 (title) of the statutes is renumbered 36.60 (title).

7 **SECTION 10.** 560.183 (1) of the statutes is renumbered 36.60 (1).

8 **SECTION 11.** 560.183 (2) of the statutes is renumbered 36.60 (2), and 36.60 (2)
9 (a), as renumbered, is amended to read:

10 36.60 (2) (a) The ~~department~~ board may repay, on behalf of a physician or
11 dentist, up to \$50,000 in educational loans obtained by the physician or dentist from
12 a public or private lending institution for education in an accredited school of
13 medicine or dentistry or for postgraduate medical or dental training.

14 **SECTION 12.** 560.183 (3) of the statutes is renumbered 36.60 (3) and amended
15 to read:

16 36.60 (3) AGREEMENT. (a) The ~~department~~ board shall enter into a written
17 agreement with the physician, in which the physician agrees to practice at least 32
18 clinic hours per week for 3 years in one or more eligible practice areas in this state,
19 except that a physician specializing in psychiatry may only agree to practice
20 psychiatry in a mental health shortage area and a physician in the expanded loan
21 assistance program under sub. (9) may only agree to practice at a public or private
22 nonprofit entity in a health professional shortage area. The physician shall also
23 agree to care for patients who are insured or for whom health benefits are payable
24 under medicare, medical assistance, or any other governmental program.

(am) The ~~department~~ board shall enter into a written agreement with the dentist, in which the dentist agrees to practice at least 32 clinic hours per week for 3 years in one or more dental health shortage areas in this state. The dentist shall also agree to care for patients who are insured or for whom dental health benefits are payable under medicare, medical assistance, or any other governmental program.

(b) The agreement shall specify that the responsibility of the ~~department~~ board to make the payments under the agreement is subject to the availability of funds in the appropriations under s. 20.143 20.285 (1) (jc), ~~(jm)~~ and ~~(kr)~~ ^{plain} ~~(jn)~~ and (ks).

SECTION 13. 560.183 (4) of the statutes is renumbered 36.60 (4), and 36.60 (4) (intro.), as renumbered, is amended to read:

36.60 (4) LOAN REPAYMENT. (intro.) Principal and interest due on loans, exclusive of any penalties, may be repaid by the ~~department~~ board at the following rate:

SECTION 14. 560.183 (5) of the statutes is renumbered 36.60 (5), and 36.60 (5) (a) and (b) (intro.) and 6., as renumbered, are amended to read:

36.60 (5) (a) The obligation of the ~~department~~ board to make payments under an agreement entered into under sub. (3) (b) is subject to the availability of funds in the appropriations under s. 20.143 20.285 (1) (jc), ~~(jm)~~ and ~~(kr)~~ ^{plain} ~~(jn)~~ and (ks).

(b) (intro.) If the cost of repaying the loans of all eligible applicants, when added to the cost of loan repayments scheduled under existing agreements, exceeds the total amount in the appropriations under s. 20.143 20.285 (1) (jc), ~~(jm)~~ and ~~(kr)~~ ^{plain} ~~(jn)~~ and ~~(ks)~~, the ~~department~~ board shall establish priorities among the eligible applicants based upon the following considerations:

6. Other considerations that the ~~department~~ board may specify by rule.

1 **SECTION 15.** 560.183 (6) of the statutes is renumbered 36.60 (6) and amended
2 to read:

3 **36.60 (6) LOCAL PARTICIPATION.** The department board shall encourage
4 contributions to the program under this section by counties, cities, villages, and
5 towns. Funds received under this subsection shall be deposited in the appropriation
6 under s. ~~20.143 (1) (jm)~~ 20.285 (1) (jc)

7 **SECTION 16.** 560.183 (6m) of the statutes is renumbered 36.60 (6m), and 36.60
8 (6m) (a) (intro.) and (b), as renumbered, are amended to read:

9 **36.60 (6m) (a) (intro.)** The department board shall, by rule, establish penalties
10 to be assessed by the department board against physicians and dentists who breach
11 agreements entered into under sub. (3). The rules shall do all of the following:

12 (b) Any penalties assessed and collected under this subsection shall be credited
13 to the appropriation account under s. ~~20.143~~ 20.285 (1) (jc).

14 **SECTION 17.** 560.183 (8) (intro.), (b), (d), (e) and (f) of the statutes are
15 renumbered 36.60 (8) (intro.), (b), (d), (e) and (f), and 36.60 (8) (intro.), (b) and (d), as
16 renumbered, are amended to read:

17 **36.60 (8) ~~ADMINISTRATIVE CONTRACT~~ ADMINISTRATION.** (intro.) ~~From the~~
18 ~~appropriation under s. 20.143 (1) (kr), the department shall contract with the board~~
19 ~~of regents of the University of Wisconsin System for administrative services from the~~
20 ~~office of rural health of the department of professional and community development~~
21 ~~of the University of Wisconsin Medical School. Under the contract, the office of rural~~
22 ~~health~~ The board shall do all of the following:

23 (b) ~~Advise the department and rural health development council on the~~
24 ~~identification of~~ Identify eligible practice areas with an extremely high need for

1 medical care and dental health shortage areas with an extremely high need for
2 dental care.

3 (d) ~~Assist the department to publicize~~ Publicize the program under this section
4 to physicians, dentists, and eligible communities.

5 **SECTION 18.** 560.183 (8) (g) of the statutes is repealed.

6 **SECTION 19.** 560.183 (9) of the statutes is renumbered 36.60 (9), and 36.60 (9)
7 (intro.), as renumbered, is amended to read:

8 36.60 (9) EXPANDED LOAN ASSISTANCE PROGRAM. (intro.) The department board
9 may agree to repay loans as provided under this section on behalf of a physician or
10 dentist under an expanded physician and dentist loan assistance program that is
11 funded through federal funds in addition to state matching funds. To be eligible for
12 loan repayment under the expanded physician and dentist loan assistance program,
13 a physician or dentist must fulfill all of the requirements for loan repayment under
14 this section, as well as all of the following:

15 **SECTION 20.** 560.184 (title) of the statutes is renumbered 36.61 (title).

16 **SECTION 21.** 560.184 (1) of the statutes is renumbered 36.61 (1), and 36.61 (1)
17 (ac), (ag), (bp) and (d), as renumbered, are amended to read:

18 36.61 (1) (ac) "Clinic hours" has the meaning given in s. ~~560.183~~ 36.60 (1) (ac).

19 (ag) "Dental health shortage area" has the meaning given in s. ~~560.183~~ 36.60
20 (1) (ad).

21 (bp) "Health professional shortage area" has the meaning given in s. ~~560.183~~
22 36.60 (1) (aj).

23 (d) "Primary care shortage area" has the meaning given in s. ~~560.183~~ 36.60 (1)
24 (cm).

1 **SECTION 22.** 560.184 (2) of the statutes is renumbered 36.61 (2) and amended
2 to read:

3 **36.61 (2) ELIGIBILITY.** The department board may repay, on behalf of a health
4 care provider, up to \$25,000 in educational loans obtained by the health care provider
5 from a public or private lending institution for education related to the health care
6 provider's field of practice, as determined by the department board with the advice
7 of the council.

8 **SECTION 23.** 560.184 (3) of the statutes is renumbered 36.61 (3) and amended
9 to read:

10 **36.61 (3) AGREEMENT.** (a) The department board shall enter into a written
11 agreement with the health care provider. In the agreement, the health care provider
12 shall agree to practice at least 32 clinic hours per week for 3 years in one or more
13 eligible practice areas in this state, except that a health care provider in the
14 expanded loan assistance program under sub. (8) who is not a dental hygienist may
15 only agree to practice at a public or private nonprofit entity in a health professional
16 shortage area.

17 (b) The agreement shall specify that the responsibility of the department board
18 to make the payments under the agreement is subject to the availability of funds in
19 the appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jL)~~ and ~~(kr)~~ (ks).

20 **SECTION 24.** 560.184 (4) of the statutes is renumbered 36.61 (4), and 36.61 (4)
21 (intro.), as renumbered, is amended to read:

22 **36.61 (4) LOAN REPAYMENT.** (intro.) Principal and interest due on loans,
23 exclusive of any penalties, may be repaid by the department board at the following
24 rate:

1 **SECTION 25.** 560.184 (5) of the statutes is renumbered 36.61 (5), and 36.61 (5)

2 (a) and (b) (intro.) and 6., as renumbered, ^{are} amended to read:

3 36.61 (5) (a) The obligation of the department board to make payments under
4 an agreement entered into under sub. (3) is subject to the availability of funds in the
5 appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jL)~~, and ~~(kr)~~ (ks).

6 (b) (intro.) If the cost of repaying the loans of all eligible applicants, when added
7 to the cost of loan repayments scheduled under existing agreements, exceeds the
8 total amount in the appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jL)~~, and ~~(kr)~~ (ks),
9 the department board shall establish priorities among the eligible applicants based
10 upon the following considerations:

11 6. Other considerations that the department board may specify by rule.

12 **SECTION 26.** 560.184 (6) of the statutes is renumbered 36.61 (6) and amended
13 to read:

14 36.61 (6) LOCAL PARTICIPATION. The department board shall encourage
15 contributions to the program under this section by counties, cities, villages and
16 towns. Funds received under this subsection shall be credited to the appropriation
17 account under s. ~~20.143~~ 20.285 (1) ~~(jL)~~ ^(jc).

18 **SECTION 27.** 560.184 (6m) of the statutes is renumbered 36.61 (6m), and 36.61
19 (6m) (a) (intro.) and (b), as renumbered, are amended to read:

20 36.61 (6m) (a) (intro.) The department board shall, by rule, establish penalties
21 to be assessed by the department board against health care providers who breach an
22 agreement entered into under sub. (3) (a). The rules shall do all of the following:

23 (b) Any penalties assessed and collected under this subsection shall be credited
24 to the appropriation account under s. ~~20.143~~ 20.285 (1) (jc).

1 **SECTION 28.** 560.184 (7) (intro.), (a), (b), (c) and (d) of the statutes are
2 renumbered 36.61 (7) (intro.), (a), (b), (c) and (d), and 36.61 (7) (intro.), (a) and (b),
3 as renumbered, are amended to read:

4 **36.61 (7) ~~ADMINISTRATIVE CONTRACT~~ ADMINISTRATION.** (intro.) ~~From the~~
5 ~~appropriation under s. 20.143 (1) (kr), the department shall contract with the board~~
6 ~~of regents of the University of Wisconsin System for administrative services from the~~
7 ~~office of rural health of the department of professional and community development~~
8 ~~of the University of Wisconsin Medical School. Under the contract, the office of rural~~
9 ~~health~~ The board shall do all of the following:

10 (a) ~~Advise the department and council on the identification of~~ Identify
11 communities with an extremely high need for health care, including dental health
12 care.

13 (b) ~~Assist the department to publicize~~ Publicize the program under this section
14 to health care providers and eligible communities.

15 **SECTION 29.** 560.184 (7) (e) of the statutes is repealed.

16 **SECTION 30.** 560.184 (8) of the statutes is renumbered 36.61 (8), and 36.61 (8)
17 (intro.), as renumbered, is amended to read:

18 **36.61 (8) EXPANDED LOAN ASSISTANCE PROGRAM.** (intro.) The department board
19 may agree to repay loans as provided under this section on behalf of a health care
20 provider under an expanded health care provider loan assistance program that is
21 funded through federal funds in addition to state matching funds. To be eligible for
22 loan repayment under the expanded health care provider loan assistance program,
23 a health care provider must fulfill all of the requirements for loan repayment under
24 this section, as well as all of the following:

1 **SECTION 31.** 560.185 (intro.), (1) and (1m) of the statutes are renumbered 36.62
2 (intro.), (1) and (2) and amended to read:

3 **36.62 Rural health development council.** (intro.) The rural health
4 development council created under s. ~~15.157 (8)~~ 15.917 (1) shall do all of the
5 following:

6 (1) Advise the ~~department~~ board on matters related to the physician and
7 dentist loan assistance program under s. ~~560.183~~ 36.60 and the health care provider
8 loan assistance program under s. ~~560.184~~ 36.61.

9 (2) Advise the ~~department~~ board on the amount, up to \$25,000, to be repaid on
10 behalf of each health care provider who participates in the health care provider loan
11 assistance program under s. ~~560.184~~ 36.61.

12 **SECTION 32.** 560.185 (2) of the statutes is repealed.

13 **SECTION 33.** 560.185 (3) of the statutes is repealed.

14 **SECTION 34.** 560.185 (4) of the statutes is repealed.

15 **SECTION 9110. Nonstatutory provisions; Commerce.**

16 (1) RURAL HEALTH DEVELOPMENT COUNCIL TRANSFER.

17 (a) *Members.* Notwithstanding section 15.917 (1) of the statutes, as affected
18 by this act, any member who is serving on the rural health development council on
19 the day before the effective date of this paragraph may continue to serve as a member
20 of the council for the term for which the member was appointed or until his or her
21 successor is appointed and qualified, whichever occurs later.

22 (b) *Tangible personal property.* On the effective date of this paragraph, all
23 tangible personal property, including records, of the department of commerce that
24 is primarily related to the functions of the rural health development council, as

1 determined by the secretary of administration, is transferred to the University of
2 Wisconsin System.

3 (c) *Contracts.* All contracts entered into by the department of commerce in
4 effect on the effective date of this paragraph that are primarily related to the
5 functions of the rural health development council, as determined by the secretary of
6 administration, remain in effect and are transferred to the University of Wisconsin
7 System. The University of Wisconsin System shall carry out any obligations under
8 such a contract until the contract is modified or rescinded by the University of
9 Wisconsin System to the extent allowed under the contract.

10 (2) PHYSICIAN AND DENTIST LOAN ASSISTANCE PROGRAM TRANSFER.

11 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
12 liabilities of the department of commerce primarily related to the physician and
13 dentist loan assistance program, as determined by the secretary of administration,
14 shall become the assets and liabilities of the University of Wisconsin System.

15 (b) *Contracts.* All contracts entered into by the department of commerce in
16 effect on the effective date of this paragraph that are primarily related to the
17 physician and dentist loan assistance program, as determined by the secretary of
18 administration, remain in effect and are transferred to the University of Wisconsin
19 System. The University of Wisconsin System shall carry out any obligations under
20 such a contract until the contract is modified or rescinded by the University of
21 Wisconsin System to the extent allowed under the contract.

22 (c) *Pending matters.* Any matter pending with the department of commerce on
23 the effective date of this paragraph primarily related to the physician and dentist
24 loan assistance program, as determined by the secretary of administration, is
25 transferred to the University of Wisconsin System and all materials submitted to or

1 actions taken by the department of commerce with respect to the pending matter are
2 considered as having been submitted to or taken by the University of Wisconsin
3 System.

4 (d) *Rules and orders.* All rules promulgated by the department of commerce
5 primarily related to the physician and dentist loan assistance program, as
6 determined by the secretary of administration, that are in effect on the effective date
7 of this paragraph remain in effect until their specified expiration date or until
8 amended or repealed by the University of Wisconsin System. All orders issued by the
9 department of commerce primarily related to the physician and dentist loan
10 assistance program, as determined by the secretary of administration, that are in
11 effect on the effective date of this paragraph remain in effect until their specified
12 expiration date or until modified or rescinded by the University of Wisconsin System.

13 (e) *Tangible personal property.* On the effective date of this paragraph, all
14 tangible personal property, including records, of the department of commerce that
15 is primarily related to the physician and dentist loan assistance program, as
16 determined by the secretary of administration, is transferred to the University of
17 Wisconsin System.

18 (3) HEALTH CARE PROVIDER LOAN ASSISTANCE PROGRAM TRANSFER.

19 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
20 liabilities of the department of commerce primarily related to the health care
21 provider loan assistance program, as determined by the secretary of administration,
22 shall become the assets and liabilities of the University of Wisconsin System.

23 (b) *Contracts.* All contracts entered into by the department of commerce in
24 effect on the effective date of this paragraph that are primarily related to the health
25 care provider loan assistance program, as determined by the secretary of

1 administration, remain in effect and are transferred to the University of Wisconsin
2 System. The University of Wisconsin System shall carry out any obligations under
3 such a contract until the contract is modified or rescinded by the University of
4 Wisconsin System to the extent allowed under the contract.

5 (c) *Pending matters.* Any matter pending with the department of commerce on
6 the effective date of this paragraph primarily related to the health care provider loan
7 assistance program, as determined by the secretary of administration, is transferred
8 to the University of Wisconsin System and all materials submitted to or actions
9 taken by the department of commerce with respect to the pending matter are
10 considered as having been submitted to or taken by the University of Wisconsin
11 System.

12 (d) *Rules and orders.* All rules promulgated by the department of commerce
13 primarily related to the health care provider loan assistance program, as determined
14 by the secretary of administration, that are in effect on the effective date of this
15 paragraph remain in effect until their specified expiration date or until amended or
16 repealed by the University of Wisconsin System. All orders issued by the department
17 of commerce primarily related to the health care provider loan assistance program,
18 as determined by the secretary of administration, that are in effect on the effective
19 date of this paragraph remain in effect until their specified expiration date or until
20 modified or rescinded by the University of Wisconsin System.

21 (e) *Tangible personal property.* On the effective date of this paragraph, all
22 tangible personal property, including records, of the department of commerce that
23 is primarily related to the health care provider loan assistance program, as

1 determined by the secretary of administration, is transferred to the University of
2 Wisconsin System.

3

~~(END)~~



2007

Insert p. 1

Nonstat File Sequence:

DDD

LRB 1446, P2

\$\$\$ CHANGE

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → \$change

For the budget action phrase, execute: create → action: → *NS: → 92XX

For the text, execute: create → text: → *NS: → \$change

2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9200 department code.

SECTION # [92 1 0]. Fiscal changes;.....

..... NO commerce (B)

auto-ref
from p.2,
line 15.

Φ (#1) () HEALTH PROFESSIONAL LOAN PROGRAMS (CS)

..... In the schedule under section
20.005 (3) of the statutes for the appropriation to the

.....
under section 20. () () of the statutes, as affected by the acts of
2005, the dollar amount iscreased by \$, , for fis-
cal year 2007-08 and the dollar amount iscreased
by \$, , for fiscal year 2008-09 [tocrease funding
for the [purpose] [purposes] for which the appropriation is made] [tocrease fund-
ing for

* Use the 2nd alternative if the purpose of the increase or decrease is more lim-
ited than the purpose or purposes of the appropriation as currently shown
in the text of ch. 20, stats.

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

No. 4 The unencumbered balance in the
 appropriation account under section 200143_A(1)(j_L)
~~is~~ in the appropriation account under section
 200143_A(1)(j_m) \nearrow 2007 statutes immediately
before the effective date of this
subsection are transferred to the
 appropriation account under section
 200285
 200285_A(1)(j_c) of the statutes, as
 affected by this act.

(Encl)

\nearrow 2007 statutes immediately
before the effective date of
this subsection and the
 unencumbered balance



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1466/P2
CTS&PG:bjk:md

DOA:.....Weidner, BB0387 - Transfer health professional loan programs to
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FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

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This bill transfers the repayment programs and the Council to the University of Wisconsin System and eliminates the Council's duties that are unrelated to the repayment programs.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 15.157 (8) of the statutes is renumbered 15.917 (1) and 15.917 (1)
2 (intro.), as renumbered, is amended to read:

3 15.917 (1) RURAL HEALTH DEVELOPMENT COUNCIL. (intro.) There is created in the
4 ~~department of commerce~~ University of Wisconsin System a rural health
5 development council consisting of 13 members nominated by the governor, and with
6 the advice and consent of the senate appointed, for 5-year terms, and the secretaries
7 of commerce and health services, or their designees. The appointed members shall
8 include all of the following:

9 **SECTION 2.** 15.917 (title) of the statutes is created to read:

10 **15.917 (title) Same; attached council.**

11 **SECTION 3.** 20.143 (1) (jc) of the statutes is renumbered 20.285 (1) (jc) and
12 amended to read:

13 20.285 (1) (jc) *Physician and dentist and health care provider loan assistance*
14 ~~programs; penalties.~~ All moneys received in ~~penalties~~ under ss. ~~560.183 (6m)~~ 36.60
15 and ~~560.184 (6m)~~ 36.61 and all moneys transferred under 2009 Wisconsin Act
16 (this act), section 9210 (1), to be used for loan repayments under ss. ~~560.183~~ 36.60
17 and ~~560.184~~ 36.61.

 ***NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

18 **SECTION 4.** 20.143 (1) (jL) of the statutes is repealed.

 ***NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

19 **SECTION 5.** 20.143 (1) (jm) of the statutes is repealed.

 ***NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

20 **SECTION 6.** 20.143 (1) (kr) of the statutes is renumbered 20.285 (1) (ks) and
21 amended to read:

1 20.285 (1) (ks) *Physician and dentist and health care provider loan assistance*
2 *programs; repayments, and contract.* Biennially, the amounts in the schedule for
3 loan repayments under ss. ~~560.183 and 560.184 and for contracting under ss.~~
4 ~~560.183 (8) and 560.184 (7)~~ 36.60 and 36.61. All moneys transferred from the
5 appropriation account under s. 20.505 (8) (hm) 6r. ~~and all moneys transferred under~~
6 ~~1999 Wisconsin Act 9, section 9210 (1),~~ shall be credited to this appropriation
7 account. Notwithstanding s. 20.001 (3) (b), the unencumbered balance on June 30
8 of each odd-numbered year shall revert to the appropriation account under s. 20.505
9 (8) (hm).

 ***NOTE: This SECTION involves a change in an appropriation that must be
 reflected in the revised schedule in s. 20.005, stats.

10 **SECTION 7.** 20.505 (8) (hm) 6r. of the statutes is amended to read:

11 20.505 (8) (hm) 6r. The amount transferred to s. ~~20.143 (1) (kr)~~ 20.285 (1) (ks)
12 shall be the amount in the schedule under s. ~~20.143 (1) (kr)~~ 20.285 (1) (ks).

13 **SECTION 8.** 49.45 (8r) of the statutes is amended to read:

14 49.45 (8r) PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE. The rate
15 of payment for obstetric and gynecological care provided in primary care shortage
16 areas, as defined in s. ~~560.183~~ 36.60 (1) (cm), or provided to recipients of medical
17 assistance who reside in primary care shortage areas, that is equal to 125% of the
18 rates paid under this section to primary care physicians in primary care shortage
19 areas, shall be paid to all certified primary care providers who provide obstetric or
20 gynecological care to those recipients.

21 **SECTION 9.** 560.183 (title) of the statutes is renumbered 36.60 (title).

22 **SECTION 10.** 560.183 (1) of the statutes is renumbered 36.60 (1).

1 **SECTION 11.** 560.183 (2) of the statutes is renumbered 36.60 (2), and 36.60 (2)
2 (a), as renumbered, is amended to read:

3 **36.60 (2) (a)** The department board may repay, on behalf of a physician or
4 dentist, up to \$50,000 in educational loans obtained by the physician or dentist from
5 a public or private lending institution for education in an accredited school of
6 medicine or dentistry or for postgraduate medical or dental training.

7 **SECTION 12.** 560.183 (3) of the statutes is renumbered 36.60 (3) and amended
8 to read:

9 **36.60 (3) AGREEMENT.** (a) The department board shall enter into a written
10 agreement with the physician, in which the physician agrees to practice at least 32
11 clinic hours per week for 3 years in one or more eligible practice areas in this state,
12 except that a physician specializing in psychiatry may only agree to practice
13 psychiatry in a mental health shortage area and a physician in the expanded loan
14 assistance program under sub. (9) may only agree to practice at a public or private
15 nonprofit entity in a health professional shortage area. The physician shall also
16 agree to care for patients who are insured or for whom health benefits are payable
17 under medicare, medical assistance, or any other governmental program.

18 (am) The department board shall enter into a written agreement with the
19 dentist, in which the dentist agrees to practice at least 32 clinic hours per week for
20 3 years in one or more dental health shortage areas in this state. The dentist shall
21 also agree to care for patients who are insured or for whom dental health benefits are
22 payable under medicare, medical assistance, or any other governmental program.

23 (b) The agreement shall specify that the responsibility of the department board
24 to make the payments under the agreement is subject to the availability of funds in
25 the appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jm)~~ and ~~(kr)~~ (ks).

1 **SECTION 13.** 560.183 (4) of the statutes is renumbered 36.60 (4), and 36.60 (4)
2 (intro.), as renumbered, is amended to read:

3 36.60 (4) LOAN REPAYMENT. (intro.) Principal and interest due on loans,
4 exclusive of any penalties, may be repaid by the department board at the following
5 rate:

6 **SECTION 14.** 560.183 (5) of the statutes is renumbered 36.60 (5), and 36.60 (5)
7 (a) and (b) (intro.) and 6., as renumbered, are amended to read:

8 36.60 (5) (a) The obligation of the department board to make payments under
9 an agreement entered into under sub. (3) (b) is subject to the availability of funds in
10 the appropriations under s. 20.143 20.285 (1) (jc), ~~(jm)~~ and ~~(kr)~~ (ks).

11 (b) (intro.) If the cost of repaying the loans of all eligible applicants, when added
12 to the cost of loan repayments scheduled under existing agreements, exceeds the
13 total amount in the appropriations under s. 20.143 20.285 (1) (jc), ~~(jm)~~ and ~~(kr)~~ (ks),
14 the department board shall establish priorities among the eligible applicants based
15 upon the following considerations:

16 6. Other considerations that the department board may specify by rule.

17 **SECTION 15.** 560.183 (6) of the statutes is renumbered 36.60 (6) and amended
18 to read:

19 36.60 (6) LOCAL PARTICIPATION. The department board shall encourage
20 contributions to the program under this section by counties, cities, villages, and
21 towns. Funds received under this subsection shall be deposited in the appropriation
22 under s. 20.143 ~~(1) (jm)~~ 20.285 (1) (jc).

23 **SECTION 16.** 560.183 (6m) of the statutes is renumbered 36.60 (6m), and 36.60
24 (6m) (a) (intro.) and (b), as renumbered, are amended to read:

1 36.60 (6m) (a) (intro.) The ~~department~~ board shall, by rule, establish penalties
2 to be assessed by the ~~department~~ board against physicians and dentists who breach
3 agreements entered into under sub. (3). The rules shall do all of the following:

4 (b) Any penalties assessed and collected under this subsection shall be credited
5 to the appropriation account under s. ~~20.143~~ 20.285 (1) (jc).

6 **SECTION 17.** 560.183 (8) (intro.), (b), (d), (e) and (f) of the statutes are
7 renumbered 36.60 (8) (intro.), (b), (d), (e) and (f), and 36.60 (8) (intro.), (b) and (d), as
8 renumbered, are amended to read:

9 36.60 (8) ~~ADMINISTRATIVE CONTRACT~~ ADMINISTRATION. (intro.) ~~From the~~
10 ~~appropriation under s. 20.143 (1) (kr), the department shall contract with the board~~
11 ~~of regents of the University of Wisconsin System for administrative services from the~~
12 ~~office of rural health of the department of professional and community development~~
13 ~~of the University of Wisconsin Medical School. Under the contract, the office of rural~~
14 ~~health~~ The board shall do all of the following:

15 (b) ~~Advise the department and rural health development council on the~~
16 ~~identification of~~ Identify eligible practice areas with an extremely high need for
17 medical care and dental health shortage areas with an extremely high need for
18 dental care.

19 (d) ~~Assist the department to publicize~~ Publicize the program under this section
20 to physicians, dentists, and eligible communities.

21 **SECTION 18.** 560.183 (8) (g) of the statutes is repealed.

22 **SECTION 19.** 560.183 (9) of the statutes is renumbered 36.60 (9), and 36.60 (9)
23 (intro.), as renumbered, is amended to read:

24 36.60 (9) **EXPANDED LOAN ASSISTANCE PROGRAM.** (intro.) The ~~department~~ board
25 may agree to repay loans as provided under this section on behalf of a physician or

dentist under an expanded physician and dentist loan assistance program that is funded through federal funds in addition to state matching funds. To be eligible for loan repayment under the expanded physician and dentist loan assistance program, a physician or dentist must fulfill all of the requirements for loan repayment under this section, as well as all of the following:

SECTION 20. 560.184 (title) of the statutes is renumbered 36.61 (title).

SECTION 21. 560.184 (1) of the statutes is renumbered 36.61 (1), and 36.61 (1) (ac), (ag), (bp) and (d), as renumbered, are amended to read:

36.61 (1) (ac) "Clinic hours" has the meaning given in s. ~~560.183~~ 36.60 (1) (ac).

(ag) "Dental health shortage area" has the meaning given in s. ~~560.183~~ 36.60 (1) (ad).

(bp) "Health professional shortage area" has the meaning given in s. ~~560.183~~ 36.60 (1) (aj).

(d) "Primary care shortage area" has the meaning given in s. ~~560.183~~ 36.60 (1) (cm).

SECTION 22. 560.184 (2) of the statutes is renumbered 36.61 (2) and amended to read:

36.61 (2) **ELIGIBILITY.** The ~~department~~ board may repay, on behalf of a health care provider, up to \$25,000 in educational loans obtained by the health care provider from a public or private lending institution for education related to the health care provider's field of practice, as determined by the ~~department~~ board with the advice of the council.

SECTION 23. 560.184 (3) of the statutes is renumbered 36.61 (3) and amended to read:

1 36.61 (3) AGREEMENT. (a) The department board shall enter into a written
2 agreement with the health care provider. In the agreement, the health care provider
3 shall agree to practice at least 32 clinic hours per week for 3 years in one or more
4 eligible practice areas in this state, except that a health care provider in the
5 expanded loan assistance program under sub. (8) who is not a dental hygienist may
6 only agree to practice at a public or private nonprofit entity in a health professional
7 shortage area.

8 (b) The agreement shall specify that the responsibility of the department board
9 to make the payments under the agreement is subject to the availability of funds in
10 the appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jL)~~ and ~~(kr)~~ (ks).

11 **SECTION 24.** 560.184 (4) of the statutes is renumbered 36.61 (4), and 36.61 (4)
12 (intro.), as renumbered, is amended to read:

13 36.61 (4) LOAN REPAYMENT. (intro.) Principal and interest due on loans,
14 exclusive of any penalties, may be repaid by the department board at the following
15 rate:

16 **SECTION 25.** 560.184 (5) of the statutes is renumbered 36.61 (5), and 36.61 (5)
17 (a) and (b) (intro.) and 6., as renumbered, are amended to read:

18 36.61 (5) (a) The obligation of the department board to make payments under
19 an agreement entered into under sub. (3) is subject to the availability of funds in the
20 appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jL)~~ and ~~(kr)~~ (ks).

21 (b) (intro.) If the cost of repaying the loans of all eligible applicants, when added
22 to the cost of loan repayments scheduled under existing agreements, exceeds the
23 total amount in the appropriations under s. ~~20.143~~ 20.285 (1) (jc), ~~(jL)~~ and ~~(kr)~~ (ks),
24 the department board shall establish priorities among the eligible applicants based
25 upon the following considerations:

1 6. Other considerations that the department board may specify by rule.

2 **SECTION 26.** 560.184 (6) of the statutes is renumbered 36.61 (6) and amended
3 to read:

4 36.61 (6) LOCAL PARTICIPATION. The department board shall encourage
5 contributions to the program under this section by counties, cities, villages and
6 towns. Funds received under this subsection shall be credited to the appropriation
7 account under s. ~~20.143 (1) (jL)~~ 20.285 (1) (jc).

8 **SECTION 27.** 560.184 (6m) of the statutes is renumbered 36.61 (6m), and 36.61
9 (6m) (a) (intro.) and (b), as renumbered, are amended to read:

10 36.61 (6m) (a) (intro.) The department board shall, by rule, establish penalties
11 to be assessed by the department board against health care providers who breach an
12 agreement entered into under sub. (3) (a). The rules shall do all of the following:

13 (b) Any penalties assessed and collected under this subsection shall be credited
14 to the appropriation account under s. ~~20.143~~ 20.285 (1) (jc).

15 **SECTION 28.** 560.184 (7) (intro.), (a), (b), (c) and (d) of the statutes are
16 renumbered 36.61 (7) (intro.), (a), (b), (c) and (d), and 36.61 (7) (intro.), (a) and (b),
17 as renumbered, are amended to read:

18 36.61 (7) ~~ADMINISTRATIVE CONTRACT~~ ADMINISTRATION. (intro.) ~~From the~~
19 ~~appropriation under s. 20.143 (1) (kr), the department shall contract with the board~~
20 ~~of regents of the University of Wisconsin System for administrative services from the~~
21 ~~office of rural health of the department of professional and community development~~
22 ~~of the University of Wisconsin Medical School. Under the contract, the office of rural~~
23 ~~health~~ The board shall do all of the following:

1 (a) ~~Advise the department and council on the identification of~~ Identify
2 communities with an extremely high need for health care, including dental health
3 care.

4 (b) ~~Assist the department to publicize~~ Publicize the program under this section
5 to health care providers and eligible communities.

6 **SECTION 29.** 560.184 (7) (e) of the statutes is repealed.

7 **SECTION 30.** 560.184 (8) of the statutes is renumbered 36.61 (8), and 36.61 (8)
8 (intro.), as renumbered, is amended to read:

9 **36.61 (8) EXPANDED LOAN ASSISTANCE PROGRAM.** (intro.) The ~~department~~ board
10 may agree to repay loans as provided under this section on behalf of a health care
11 provider under an expanded health care provider loan assistance program that is
12 funded through federal funds in addition to state matching funds. To be eligible for
13 loan repayment under the expanded health care provider loan assistance program,
14 a health care provider must fulfill all of the requirements for loan repayment under
15 this section, as well as all of the following:

16 **SECTION 31.** 560.185 (intro.), (1) and (1m) of the statutes are renumbered 36.62
17 (intro.), (1) and (2) and amended to read:

18 **36.62 Rural health development council.** (intro.) The rural health
19 development council created under s. ~~15.157 (8)~~ 15.917 (1) shall do all of the
20 following:

21 **(1)** Advise the ~~department~~ board on matters related to the physician and
22 dentist loan assistance program under s. ~~560.183~~ 36.60 and the health care provider
23 loan assistance program under s. ~~560.184~~ 36.61.

1 (2) Advise the ~~department~~ board on the amount, up to \$25,000, to be repaid on
2 behalf of each health care provider who participates in the health care provider loan
3 assistance program under s. ~~560.184~~ 36.61.

4 **SECTION 32.** 560.185 (2) of the statutes is repealed.

5 **SECTION 33.** 560.185 (3) of the statutes is repealed.

6 **SECTION 34.** 560.185 (4) of the statutes is repealed.

7 **SECTION 9110. Nonstatutory provisions; Commerce.**

8 (1) RURAL HEALTH DEVELOPMENT COUNCIL TRANSFER.

9 (a) *Members.* Notwithstanding section 15.917 (1) of the statutes, as affected
10 by this act, any member who is serving on the rural health development council on
11 the day before the effective date of this paragraph may continue to serve as a member
12 of the council for the term for which the member was appointed or until his or her
13 successor is appointed and qualified, whichever occurs later.

14 (b) *Tangible personal property.* On the effective date of this paragraph, all
15 tangible personal property, including records, of the department of commerce that
16 is primarily related to the functions of the rural health development council, as
17 determined by the secretary of administration, is transferred to the University of
18 Wisconsin System.

19 (c) *Contracts.* All contracts entered into by the department of commerce in
20 effect on the effective date of this paragraph that are primarily related to the
21 functions of the rural health development council, as determined by the secretary of
22 administration, remain in effect and are transferred to the University of Wisconsin
23 System. The University of Wisconsin System shall carry out any obligations under
24 such a contract until the contract is modified or rescinded by the University of
25 Wisconsin System to the extent allowed under the contract.

1 (2) PHYSICIAN AND DENTIST LOAN ASSISTANCE PROGRAM TRANSFER.

2 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
3 liabilities of the department of commerce primarily related to the physician and
4 dentist loan assistance program, as determined by the secretary of administration,
5 shall become the assets and liabilities of the University of Wisconsin System.

6 (b) *Contracts.* All contracts entered into by the department of commerce in
7 effect on the effective date of this paragraph that are primarily related to the
8 physician and dentist loan assistance program, as determined by the secretary of
9 administration, remain in effect and are transferred to the University of Wisconsin
10 System. The University of Wisconsin System shall carry out any obligations under
11 such a contract until the contract is modified or rescinded by the University of
12 Wisconsin System to the extent allowed under the contract.

13 (c) *Pending matters.* Any matter pending with the department of commerce on
14 the effective date of this paragraph primarily related to the physician and dentist
15 loan assistance program, as determined by the secretary of administration, is
16 transferred to the University of Wisconsin System and all materials submitted to or
17 actions taken by the department of commerce with respect to the pending matter are
18 considered as having been submitted to or taken by the University of Wisconsin
19 System.

20 (d) *Rules and orders.* All rules promulgated by the department of commerce
21 primarily related to the physician and dentist loan assistance program, as
22 determined by the secretary of administration, that are in effect on the effective date
23 of this paragraph remain in effect until their specified expiration date or until
24 amended or repealed by the University of Wisconsin System. All orders issued by the
25 department of commerce primarily related to the physician and dentist loan

1 assistance program, as determined by the secretary of administration, that are in
2 effect on the effective date of this paragraph remain in effect until their specified
3 expiration date or until modified or rescinded by the University of Wisconsin System.

4 (e) *Tangible personal property.* On the effective date of this paragraph, all
5 tangible personal property, including records, of the department of commerce that
6 is primarily related to the physician and dentist loan assistance program, as
7 determined by the secretary of administration, is transferred to the University of
8 Wisconsin System.

9 (3) HEALTH CARE PROVIDER LOAN ASSISTANCE PROGRAM TRANSFER.

10 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
11 liabilities of the department of commerce primarily related to the health care
12 provider loan assistance program, as determined by the secretary of administration,
13 shall become the assets and liabilities of the University of Wisconsin System.

14 (b) *Contracts.* All contracts entered into by the department of commerce in
15 effect on the effective date of this paragraph that are primarily related to the health
16 care provider loan assistance program, as determined by the secretary of
17 administration, remain in effect and are transferred to the University of Wisconsin
18 System. The University of Wisconsin System shall carry out any obligations under
19 such a contract until the contract is modified or rescinded by the University of
20 Wisconsin System to the extent allowed under the contract.

21 (c) *Pending matters.* Any matter pending with the department of commerce on
22 the effective date of this paragraph primarily related to the health care provider loan
23 assistance program, as determined by the secretary of administration, is transferred
24 to the University of Wisconsin System and all materials submitted to or actions
25 taken by the department of commerce with respect to the pending matter are

1 considered as having been submitted to or taken by the University of Wisconsin
2 System.

3 (d) *Rules and orders.* All rules promulgated by the department of commerce
4 primarily related to the health care provider loan assistance program, as determined
5 by the secretary of administration, that are in effect on the effective date of this
6 paragraph remain in effect until their specified expiration date or until amended or
7 repealed by the University of Wisconsin System. All orders issued by the department
8 of commerce primarily related to the health care provider loan assistance program,
9 as determined by the secretary of administration, that are in effect on the effective
10 date of this paragraph remain in effect until their specified expiration date or until
11 modified or rescinded by the University of Wisconsin System.

12 (e) *Tangible personal property.* On the effective date of this paragraph, all
13 tangible personal property, including records, of the department of commerce that
14 is primarily related to the health care provider loan assistance program, as
15 determined by the secretary of administration, is transferred to the University of
16 Wisconsin System.

17 **SECTION 9210. Fiscal changes; Commerce.**

18 (1) HEALTH PROFESSIONAL LOAN PROGRAMS. The unencumbered balance in the
19 appropriation account under section 20.143 (1) (jL), 2007 stats., and the
20 unencumbered balance in the appropriation account under section 20.143 (1) (jm),
21 2007 stats., are transferred to the appropriation account under section 20.285 (1) (jc)
22 of the statutes, as affected by this act.

23 (END)